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SOURCE Neue Zuercher Zeitung.NOTES PROBLEMS OF THE TWO-YEAR PLAN IN EAST GERMANY

The current Two-Year Plan, fulfillment of which by the end of July 1950 is being anticipated by East German authorities, provides for production increases in 1950 of 21 percent over 1949. This would constitute a total industrial production of 103 percent of the 1936 industrial production (price differences taken into account). In the electric power, mining, and chemical industries this figure is even to be exceeded. Whether or not this quota can be met is a matter of conjecture. Some figures from absolutely reliable sources may serve to illustrate the difficulties to be encountered in the fulfillment of the plan.

The 1950 Economic Plan calls for a raw steel output of 875,000 tons as against 1,198,000 tons in 1936. Actual production in 1948 amounted to 270,000 tons, and in 1949 to approximately 450,000 tons. Surface mining of brown coal in 1938 yielded 122,700,000 tons and in 1948 approximately 110,000,000 tons. The black coal output in 1936 amounted to 3,600,000 tons, in 1938 to 2,800,000 tons, and in 1949 to a little over 3,000,000 tons. Cellulose production in 1936 amounted to 245,000 tons, compared with 120,000 tons in 1948.

While the Hennecke movement, which was introduced in 1949, resulted in production increases, its effect on the quality of the output was disastrous. For example: Because under the plan, glass production is figured in terms of surface area, the window glass produced was so thin that it could not withstand shipment. Production of porcelain, on the other hand, is reckoned by weight; this resulted in teacups so heavy that nobody wanted to buy them.

Output is still unsatisfactory. Deputy Minister-President Ulbricht recently estimated production at 75 percent of prewar output.

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